

## **DALE BROWN**

Dale Brown is the Senior Vice President of Business Development at MedImpact. He is responsible for sales, account management, marketing, product development, and network strategies. In this role, he also leads the development of strategic alliances that benefit clients and that promote health care transformation.

Mr. Brown brings a broad range of health care industry experience to MedImpact, including extensive pharmacy benefit management industry experience. Most recently, he was the Senior Vice President of Marketing for Cardinal Health's Pharmaceutical Distribution Division. Prior to Cardinal Health, Brown was Vice President of Marketing at Merck-Medco. At Caremark Prescription Services, he was the Director of National Accounts and was the Senior Director of Product Strategy. Additionally, Brown has managed care experience with Humana.

Mr. Brown received a Bachelor of Science degree in Medical Sociology from the University of Illinois, Urbana and a Master of Business Administration degree in marketing and finance from The University of Chicago Graduate School of Business.



# Transformational Solutions

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## Delivering Choices to Medicaid & Government Payors

**Dale Brown**

**SVP, MedImpact Healthcare Systems, Inc.**

**March 14, 2006**

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# PilotRx

Empowering Prescription Choices

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Largest PBM that does not sell drugs

- California corporation
- 27 million lives nationwide
- Transparent PBM since 1989

Online access to savings

- Empowers consumer accountability
- Tool for transparency – for consumer



On prescription drugs,  
PilotRx will save Payors:

44%

Annual savings for  
300,000 lives:

\$28 million

**PilotRx**  
Empowering Health Care Consumers

Welcome

Log in | EDugarB | Password: \*\*\*\*\* | Sign In | Forgot Password | Register Now

**Welcome to PilotRx**  
PilotRx is an online destination that empowers you, the consumer, to participate in the management of your own healthcare.

**PilotRx Tools**

**Compare Drug Prices** - Search for and compare prices of prescription and over-the-counter medicines.

**Refill Prescriptions** - Transfer over your existing prescription to a pharmacy of your choice.

**Ask a Pharmacist** - Phone, email, or chat online with a licensed pharmacist.

**Estimate Annual Drug Spending** - Calculate your annual drug expenses.

**Registered users can access:**

- **Benefit Highlights** - View your current copayment amounts.
- **Formulary Lookup** - Determine coverage and pricing for medications.
- **Pharmacy Locator** - Find a participating pharmacy near your location.
- **Personal Health Rx** - Print your prescription history for a physician visit or tax reporting.

**REGISTER NOW**

**PilotRx Information Center**

**Drug Facts** - Learn about the prescription drugs you are taking and get information on prescription and over-the-counter medications.

**Research a Disease** - Your guide to symptoms, diagnosis, treatment, prevention, community, experts, and the latest news.

**Hospital and Critical Care Rankings** - Compare treatment outcomes, costs, and safety for hospitals in your area.

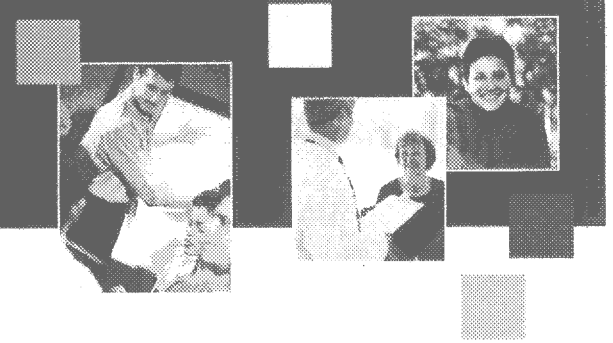
**Recent Drug Alerts**  
Vioxx users can get money for unused medicine.  
Confused by the Medicare Drug Discount Card? You're not alone.  
Why drug companies advertise on TV.  
All Drug Alerts

**Information Center**  
Drug Facts  
Drug Alerts  
Research a Disease  
Hospital and Critical Care Rankings

**APPLY FOR THE MEDICARE USA DRUG DISCOUNT CARD**  
CLICK HERE TO LEARN MORE AND ENROLL

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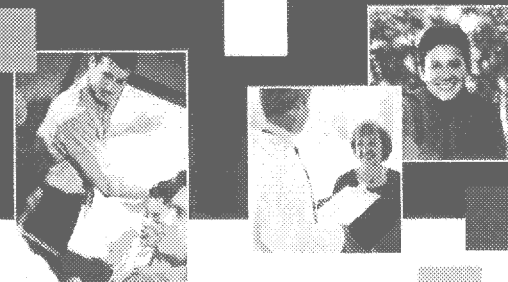
# Benefit Design - After Pay



## With the After Pay Model:

- The **PAYOR** pays 100%:
  - For the lowest cost drug;
  - That is clinically appropriate;
  - At the lowest cost pharmacy.
- The **CONSUMER** pays nothing,
  - And is more likely to be compliant.
- However, if the **CONSUMER chooses** a higher cost drug and/or a higher priced pharmacy,
  - She pays the price difference between the lowest cost drug and the drug of her choice.

# After Pay Model Example



|                        |                          | Traditional PBM<br>Copay Model |           | PilotRx<br>After Pay<br>Model |              |
|------------------------|--------------------------|--------------------------------|-----------|-------------------------------|--------------|
|                        | Total<br>Cost of<br>Drug | Member<br>Cost                 | Plan Cost | Member<br>Pays                | Plan<br>Pays |
| Lowest Cost<br>Generic | \$25                     | \$5                            | \$20      | \$0                           | \$25         |
| Brand<br>Drug          | \$100                    | \$20                           | \$80      | \$75                          | \$25         |



# Choice60<sup>Rx</sup>

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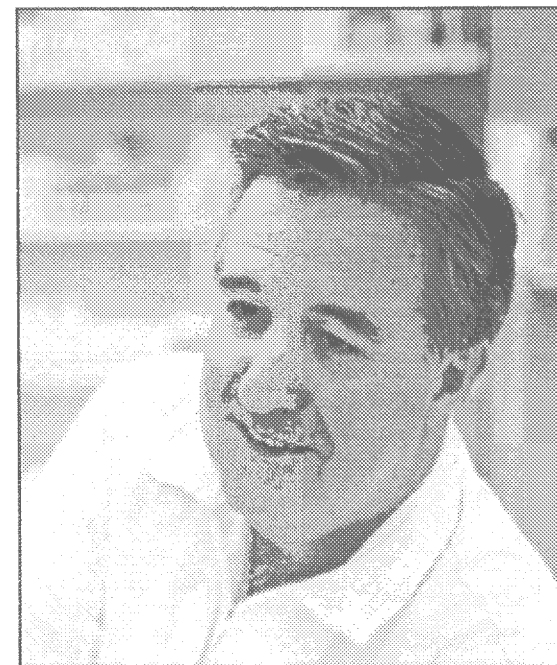
By simply providing **Choice60<sup>Rx</sup>** to the  
Medicaid Population . . .

**Government Payors will save  
\$17,200,000 annually\***

. . .while aligning consumer goals with  
Medicaid reform goals:

- Low Net Cost
- High Quality of Care
- High Satisfaction

\*For approximately 1,000,000 lives

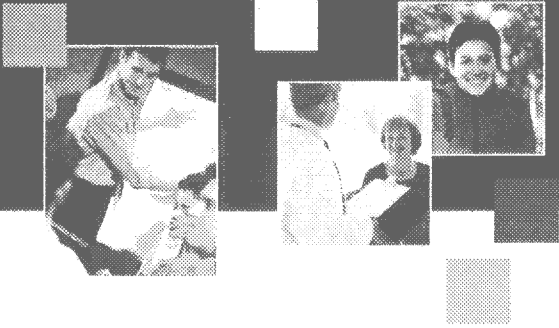


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- Restricted to 30-day prescriptions – higher price
- Transient population
- High incidence of chronic medications
- No 90-day option – waste concern





Medicaid recipients have the **choice** and **flexibility** to obtain a **60-day supply** of maintenance medication from their **local** pharmacy.

Choice**60**<sup>Rx</sup>

- 60-day benefit for long-term prescriptions
- Face-to-face consultation
- Greater discount
- Less waste



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